

REMARKS

Claims 1-43 are pending in this application. Claims 32 and 33 are withdrawn without waiver or prejudice.

Claims 1, 9, 18, 21, 24 and 31 are independent.

Claims 1-23 stand rejected under 35 U.S.C. §103(a) as obvious over Bartoli, (U.S. Patent No. 6,047,268) in view of Elgamal (U.S. Patent No. 5,671,279). The rejection is respectfully traversed.

In the Final Official Action of February 14, 2001 (Paper No. 8) the Examiner's arguments for rejection of claims 1-23 repeat those made in the previous Official Action of August 23, 2000 (Paper No. 6). In the interest of brevity, the remarks included in the Amendment submitted by the Applicants' representative on November 21, 2000, which are fully responsive to the Examiner's arguments, are incorporated herein by reference, and it is respectfully requested that those remarks be considered part of this response.

In addition, Paper No. 8 includes a brief response to the remarks of Applicants' representative in the above-mentioned submission of November 21, 2000. The response principally addresses claim 1.

The Examiner quotes claim 1 as reciting "...receiving...information identifying a product intended to be purchased at a purchase price...the price to be paid by a transfer to the seller of funds on deposit in or credited to an account of the purchaser..." and "...authorization of the purchaser to pay the purchase price for the identified product through the transfer to the seller of the funds from the purchaser account." The Examiner takes exception to the previous argument of Applicants' representative that there is nothing within Bartoli to suggest that a deposit account be

specified or that the billing system 104 (Figure 1) could or should direct the transfer of funds from such a deposit account to the seller. The Examiner points to Bartoli as disclosing a financial institute at which the purchaser account is maintained (column 4, lines 37-49), the account specifying payment options from which the merchant is paid (column 9, lines 29-57). The Examiner further contends that transferring funds from the purchaser to the merchant once the purchaser credit or debit card is used is inherent.

However, contrary to the Examiner's position, Bartoli, as indicated in Figure 1, discloses a billing system 104 and not a payment system. In fact, no financial institute is depicted in any of the Figures 1-3, or otherwise described. As discussed in column 2, lines 19-24, Bartoli's sole objective is the development of an advanced billing system. As described in the above referenced text at column 4, lines 37-49, at registration, a user establishes an account which requires a billing name, address, e-mail, billing preferences for charges made to the account, and possibly a password. However, this account in Bartoli with the billing system is clearly not an account with funds or credits that one would normally associate with an account at a financial institute, and from which payment could be made.

As generally described in columns 7-9 of Bartoli, when a purchaser clicks to buy, the order information is sent from the purchaser's terminal to the billing system 104. This is true notwithstanding the billing preference that has been selected during registration. Authorization is granted based on such factors as the user's active registration in the billing system, the user's payment history, the purchase amount not exceeding either a per purchase or total cumulative credit limit, and the purchase not violating any seller imposed restriction. However,

Bartoli lacks any teaching or suggestion that the authorization be based upon an amount deposited in or directed to a deposit account, as required by the rejected claims.

Furthermore, as disclosed in the referenced text (see column 9, lines 29-32, for example), the billing system authorization is directed to the purchaser for final approval, rather than being directed from the authorizing entity directly to the seller. The transmission of the authorization back to the purchaser before being transmitted by the purchaser to the seller is required because according to Bartoli, the purchaser must approve the charges subsequent to, rather than before, authorization by the authorizing entity (see Figure 2B). The billing server 107 (Figure 1) sends the transaction information to the billing platform 110 for billing the user based on the user billing preference and the bill must then be paid by the user, presumably to the billing system, after which the billing system settles with the merchant (see column 9, lines 29-56, for example).

Hence, Bartoli lacks any teaching or suggestion of an account of the purchaser from which funds will be transferred to a seller, the transmission of an authorization of the purchaser to pay the purchase price through a transfer of the funds from such an account, the determination if funds in such an account are sufficient, and the transmission of an authorization from a financial institute network device to a seller network device to proceed with delivery only if the funds in such an account are determined to be sufficient, as required by claim 1.

Claims 24-34, added by the Amendment of November 21, 2000, recite the invention in a somewhat different manner. More particularly, claims 24-34 are directed to the disclosed differences in the described operations based upon selection of one payment option versus another payment option.

Claims 32-33 stand rejected under 35 USC §112, first paragraph. Claims 32 and 33 are withdrawn herein without waiver or prejudice, thereby rendering the rejection moot.

Claims 24-26 and 29-33 stand rejected under 35 USC §102(e) as being anticipated by Slater, U.S. Patent No. 6,098,053. The rejection is respectfully traversed.

With regard to claims 24-26 and 29-33, the Examiner asserts that Slater teaches transmitting from a seller device to a purchaser device information identifying a product available for purchase, a purchase price and a plurality of payment options including payment by a first form of payment and payment by a second form of payment different than the first form of payment; selecting one of the plurality of payment options at the second network device (column 7, lines 26-36); transmitting from the purchaser's device to a financial institute the information identifying the product to be purchased and the purchase price of the product only if the payment of the purchase price by the first form of payment is selected and transmitting from the institute to the seller an authorization of the financial institute for the seller to proceed with the delivery of the identified product to the purchaser (column 7, lines 36-40, column 8, lines 29-36 and column 9, line 13 to column 10, line 67).

However, contrary to the Examiner's assertions, Slater does not disclose all of the elements of independent claims 24 and 31, and their dependencies. Column 7, lines 26-36, does in general disclose an exemplary system in which a purchaser accesses the World Wide Web from his or her computer to place an order on a merchants site, which presents the purchaser with a number of payment options. One of the payment options available in Slater is to perform the transaction using funds from the purchaser's checking or savings account. Upon selecting this

option, the purchaser is prompted to provide a debit or check card number, as well as other information need to identify the buyer and validate the transaction such as name and pin number. (see column 7, lines 12-16)

As described in general in Slater at column 4, lines 32-65, and more specifically at column 9, lines 8-22, the purchaser payment instructions (i.e., card number, etc.) are provided to the merchant, who appends merchant payment and other transactional information to the purchaser information to form a complete package of financial transaction instructions. This package is then sent to the financial institution, where it is run through the standard checks for ATM/POS transactions, and if approved by the purchaser's bank, notice is sent by the financial institute to the seller to proceed with delivery (see column 10, lines 29-51).

While Slater thus discloses some of the features of the present invention, Slater clearly lacks any teaching or suggestion of transmitting from the second network device (representing the purchaser) to the third network device (representing the financial institution) the information identifying the product to be purchased and the purchase price of the product, as required by claim 24 and 31. Rather, Slater discloses transmission of the financial transaction information by the merchant to the financial institution, which appears more consistent with the ATM/POS model upon which the system and method of Slater are patterned.

The Examiner's rejection of claims 24-26 and 29-30 is made in omnibus fashion and without an attempt to individually address all of the claim elements. It is respectfully submitted that the following features in the dependent claims, which appear to have been ignored by the Examiner, also appear to independently distinguish over the applied art: the purchaser

account is maintained by the financial institution, as required by claim 27 (Slater discloses at column 10, lines 46-49, separate payment by purchaser's bank); the second form of payment is by credit or debit card, as required by claim 28 (Slater only discloses saving and checking accounts, as noted above); transmitting from the second network device to the first network if the second form of payment is selected, as in claim 30 (Slater discusses only saving and checking accounts, as noted above).

Claims 27, 28 and 34 stand rejected under 35 USC §103(a) as being obvious over Slater, as applied to claim 24, and further in view of Elgamal, U.S. Patent No. 5,671,279. The rejection is respectfully traversed.

Claims 27 and 34 require that the first form of payment be a transfer of funds on deposit or credit to an account of the purchaser, the identity of the account being unknown to the seller, and transmitting from the financial institute of an instruction to transfer funds in payment of the identified purchase price. Claim 28 requires the account be maintained by the financial institute. The Examiner points to Slater at column 6, lines 13-20 and column 7, lines 32-40, as disclosing these features of claims 27 and 28, but acknowledges that Slater does not teach the identity of the account being unknown to the seller. To cure this deficiency in Slater, the Examiner relies on Elgamal as disclosing an electronic payment system in which the account number is hidden from the merchant.

Elgamal is directed to securing communications for credit card payments (see column 2, line 66, through column 3, line 11), and hence lacks any disclosure of transferring funds from a deposit account to pay for an online product purchase.

Accordingly, it is respectfully submitted that there would be no motivation for one of ordinary skill in the art to


combine, as the Examiner proposes, Elgamal with the system in Slater, which is directed to ATM/POS transactions over the Internet.

It is further respectfully submitted that claim 34 distinguishes over the applied art for similar reasons.

In view of the foregoing, it is respectfully submitted that the application is in condition for allowance and an early indication of the same is courteously solicited. The Examiner is respectfully requested to contact the undersigned by telephone at the below listed local telephone number, in order to expedite resolution of any remaining issues and further to expedite passage of the application to issue, if any further comments, questions or suggestions arise in connection with the application.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 12-0427 and please credit any excess fees to such deposit account.

Respectfully submitted,
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Date: April 16, 2001